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## OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 17th day of November, 2009, betwee	n <u>Stemple, Norman Etux Irene</u> ,	Lessor (whether one or more).
whose address is: 2408 Harrison Ave, Fort Worth, Tx, 76110	, and XTO Energy Inc., whose address is	
Texas 76102, Lessee, WITNESSETH:		
<ol> <li>Lessor, in consideration of ten dollars and other valuable consid</li> </ol>	leration, receipt of which is hereby acknowled	dged, and of the covenants and
agreements of Lessee hereinaπer contained, does hereby grant, lease ;	and let unto Lessee the land covered hereby	v for the numoses and with the
exclusive right of exploring, drilling, mining and operating for, producing those mentioned), together with the right to make surveys on said la	and owning oil, gas, sulphur and all other mit	nerals (whether or not similar to
(hose mentioned), together with the right to make survivie on said fa-	nd lay nine lines establish and utilize facil	litica for austral an automotive

agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant.

—, State of Texas, and is described as follows:

Blk 19, Lot 16, Mistletoe Heights Addition, an addition to the City of Fort Worth and being more particularly described in that certain Deed dated 5/23/2008, recorded in instrument D208194592, Official Records, Tarrant County, Texas.

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 0.1879 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

- 2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- upon said land with no cessation for more than ninety (90) consecutive days.

  3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal \_\_25%\_ part of all oil produced and saved by Lessee from said land, or form time to time, at the option of Lessee, to pay Lessor the average posted market price of such \_\_25%\_ part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear \_\_25%\_ of the amount realized by Lessee computed at the mouth of the well, or (2) when used by Lessee off said land (1) when sold by Lessee, \_\_25%\_ of the amount realized by Lessee computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when used by Lessee off said land, one-tenth either in kind or value at the well or mine at Lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton, if, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or only portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee sh
- paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

  4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage loterance; provided, however, units may be established as to any one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance, if limited to one or more of the following: (1) gas, other than casinghead gas, (2) fliquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the meetablished, or after enlargement, are permitted or required under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size permitted or required by such governmental order or rule. Lesse shall exercise said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Such unit shall become effective on the date such instrument or instruments but if said instruments or production may be exercised by Lessee at any time and from time to time while this lease is in force, and whether before or after operations or production has been established either on said land, or on the portion of said land included in the unit, or on other

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for any of the following: preparing the drillsite location or access road, drilling, testing, completing, reworking, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained and shall not be required to move or remove any existing surface facilities necessary or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location off of said land or off of lands with which said land are pooled in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.
- 15. It is hereby agreed and understood that there shall be no drilling activities on the surface of the leased premises without the prior written permission from the surface owner of the applicable portion of the leased premises. Notwithstanding the foregoing, this waiver of surface shall not be construed as a waiver of the rights of Lessee to utilize the subsurface of the leased premises under this lease, and Lessee shall have the right to exploit, explore for, develop and produce oil, gas and other covered minerals under this lease from wells from surface locations off the leased premises, including, but not limited to, directional or horizontal drilling activity which comes under the surface of the leased premises. This drilling surface waiver does not apply to any surface rights associated with instruments other than this lease.

IN WITNESS WHEREOF, this instrument is effective as of the date first above written.

Hans Stemple

LESSOR(S)

STATE OF TX §	
COUNTY OF Tamant & ss.	(ACKNOWLEDGMENT FOR INDIVIDUAL)
This instrument was acknowledged before me on the 14th Norman Stemple & Treas S  DOUGLAS G. KUSEL  Notary Public, State of Texas  My Commission Expires  May 20, 2012	Signature Notary Public
May 20, 2012  May 20, 2012  Seal:	Printed Louglas (+ Kugel
STATE OF	(ACKNOWLEDGMENT FOR CORPORATION)
This instrument was acknowledged before me on the, as on behalf of said corporation.	day of, 20, bycorporation,
	SignatureNotary Public
	Printed
My commission expires:	
Seal:	

ADDENDUM A

Attached to and made a part of that certain Gas Lease dated 11/17/2009 by and between Norman Stemple + Free Stemples Lessors and XTO Energy, as Lessee

THE FOLLOWING PROVISIONS DO NOT CONSTITUTE A COMPLETE LEASE, BUT PROVISIONS THAT SHALL BE INCORPORATED INTO AN EXISTING LEASE AND SHALL SUPERCEDE ANY CONFLICTING PROVISIONS.

### **L. DEFINITIONS**

As used herein, "Mistletoe Heights" includes the area bordered by the following:

North: by West Rosedale South and the north border of Newby Park;

East: by the current BNSF railroad right-of-way, but not including the BNSF railroad

right-of-way;

South: by Weatherbee; and

West: by Mistletoe Drive from West Rosedale South to Forest Park Blvd.,

"Mistletoe Heights" shall also include all lots adjacent to the above-listed streets, including the lots which border West Rosedale South to the north, Weatherbee to the south and Mistletoe Drive to the west and south. The parties agree that if a survey of "Mistletoe Heights" is necessary, Lessee shall hire an independent surveyor to conduct the survey, and shall pay all expenses associated with the survey.

## II. GENERAL PROVISIONS

The following provisions shall apply without regard to the location of any well drilled on lands which the leased premises have been pooled or utilized.

# A. LIMITATIONS

This lease will expire as to all lands and depths unless marketable hydrocarbons are producing before the expiration of the primary term. At the end of the primary term, this lease shall expire as to all depths one hundred (100') feet below the base of the deepest producing formation then producing or capable of producing oil and/or gas in paying quantities from any well drilled on the leased premises or on lands with which the leased premises have been pooled or unitized.

# B. PAYMENTS

All shut-in or other royalty payments under this Lease shall be paid or tendered to Lessor at the above

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address, or at such address or to Lessor's credit at such depository institution as Lessor may provide written notice of from time to time. All payments or tenders may be made in currency, by check or by draft. Initial bonus monies shall be paid to Lessor by check upon Lessee's receipt of Lessor's executed lease. Lessee shall pay all royalties on or before the twentieth (20<sup>th</sup>) day of the second month succeeding the month of production; provided however, royalties on the first month's production from any well shall not be due and payable until 120 days from the date of first production.

### C. WAIVER OF SURFACE USE

Notwithstanding anything to the contrary in this Lease, Lessee shall not enter upon the surface of, cross over, place any structure or building upon or conduct any operations (including but not limited to drilling, roads, drilling pads, pipelines, production equipment, flowlines, and geophysical/seismic operations) on the leased premises or within six hundred feet (600') of any home within Mistletoe Heights. NOTWITHSTANDING ANYTHING WITHIN THIS LEASE TO THE CONTRARY, LESSEE IS PROHIBITED AND SHALL NOT ESTABLISH A DRILL PAD SITE ON LAND BORDERING MISTLETOE BOULEVARD. Neither the Lessee nor any of its affiliates, subcontractors, employees, and/or assigns shall operate any truck or equipment within Mistletoe Heights and shall not access any well site by using any road or street, or any portion thereof, within Mistletoe Heights (including Forest Park Blvd., Mistletoe Blvd., and Jerome). Notwithstanding the foregoing, the bore of a well drilled for oil and gas purposes may cross or be bottomed under the leased premises if such bore is at least 1000 feet below the surface.

## D. NOISE

No drilling or other operations shall produce a sound level (1) greater than 5dB above the ambient noise level when measured at any location within Mistletoe Heights between the hours of 7:00 a.m. to 7:00 p.m., or (2) greater than 3dB above the ambient noise level when measured at any location within Mistletoe Heights between the hours of 7:00 p.m. to 7:00 a.m.; provided, however, that and adjustment to the noise standard set fort below in (1) and (2) may be permitted in accordance with the tolerance table from City of Fort Worth Ordinance set forth below. Sound level measurements shall be made with a sound level meter conforming, as a minimum, to the requirements of the American National Standards Institute. Sound level measurements shall be taken at a distance of between 4 and 6 feet above ground level. In the event that Lessor obtains a sound measurement exceeding that allowed by this Lease, Lessor shall notify Lessee in writing in conformity with the terms of this Lease. Lessee shall have 24 hours from the receipt of such notice to cure or cease any condition or operation which results in a sound level measurement not in conformity with this Lease. Any sound level measurement taken at any location within Mistletoe Heights shall be deemed to affect equally all Lessors within Mistletoe Heights, and any violation of the provisions relating to sound levels contained herein shall not be waived, modified, or terminated without the written consent and agreement of all Lessors within Mistletoe Heights. The Lessee will not place any gas compression station within 1000 feet from any home within Mistletoe Heights.

Adjustments to the noise standards as set forth above in subsection (B) of this section may be permitted in accordance with the following:

Permitted Increase	Duration of Increase (minutes)*	
(dBA)		
5	15	
10	5	
15	. ,	
20	less than 1	

<sup>\*</sup>Cumulative minutes during any one hour

## E. NO WARRANTY OF TITLE.

Lessor makes no warranty of any kind with respect to title to the surface or mineral estate of the leased premises or any portion of or interest therein. All warranties that might arise by common law or by statute, including but not limited To Section 5.023 of the Texas Property Code (or its successor), are excluded. By acceptance of this Lease, Lessee acknowledges that it has been given full opportunity to investigate and has conducted sufficient investigation to satisfy as to title to the leased premises. Lessee assumes all risk of title failures.

# F. NOTICES

The then President of Mistletoe Heights Association shall receive copies of all electric logs, mud logs, drilling and completion reports, tests, initial production data, plats, permits, unit designations, to any well or wells drilled or re-entered on the land covered by any leases or pooled therewith and located in Mistletoe Heights this lease or any land pooled with the land covered by this lease, or any co-operative this land may be included in.

LESSEE:

XTO Energy, INC

Title Edwin S. Ryan, Jr.

**Title:** Edwin S. Ryan, Jr. Sr. VP – Land Administration

LESSORS:

Name(s) Januar Stemple 4 Due Stemple
Date 12/14/09

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